

### NEWSPAPER HIGHLIGHT

Nearly 20,000 years ago, a five-kilometre long Himalayan glacier “abruptly” changed course and over time fused into an adjacent glacier in present day Pittoragarh, Uttarakhand. This is the first time, say scientists who have described the findings in a peer reviewed journal this week, that such a turn in glacier’s course has been recorded in the Himalayas. Change in climate along with tectonic movement probably caused this to happen. Based on remote sensing and an old survey map, the study, which appears in the Journal of Geosciences, assessed that the glacier had been affected by active fault and climate change. The glacier, which does not have a name and lies in an extremely inaccessible region, was large enough that it formed its own “valley” and the accumulated debris that accompanies the formation of glaciers probably caused it to turn from a north eastern direction to a south eastern course. The study adds to evidence of the inherent instability of the Himalayan region, among the youngest mountain ranges in the world due to which the underlying tectonic plates that support it are not stable but are jittery and frequently trigger earthquakes and landslides. The event had “similarities” to the February disaster in Rishiganga valley, Uttarakhand, in which a large mass of rock and debris detached from a glacier and hurtled down the Rishiganga river.

The Union Government will introduce a Bill to regulate cryptocurrency and ostensibly ban all private cryptocurrencies, along with 25 other pieces of legislation, in the winter session of Parliament that begins on November 29. The Cryptocurrency and Regulation of Official Digital Currency Bill, 2021, which is yet to be officially approved by the Cabinet, seeks to create a facilitative framework for creation of the official digital currency to be issued by the Reserve Bank of India. Pilot project The central bank is looking at launching a pilot project for an official digital currency soon. “The Bill also seeks to prohibit all private cryptocurrencies in India. However, it allows for certain exceptions to promote the underlying technology of cryptocurrency and its uses,” according to the stated purport of the Bill in a Lok Sabha bulletin and the tentative list of the government’s legislative business for Rajya Sabha.

### MATOSINHOS MANIFESTO

1. European Space Agency (ESA) Council approved the Matosinhos Manifesto to accelerate the use of space in Europe. **By accelerating the use of space in Europe, Matosinhos Manifesto aims to tackle the unprecedented societal, economic and security challenges faced by Europe and its citizens. This resolution defines three “accelerators” to further advance Europe’s space ambitions.** First accelerator is for the ESA to work towards the ‘Space for a Green Future’, so that people are better able to understand the current state of Earth and to develop scenarios and solutions for sustainable life here. This is in line with achieving net-zero greenhouse gas emission targets by the year 2050.

2. Second accelerator ‘Rapid and Resilient Crisis Response’ aims to support governments to act decisively on crises facing Europe, from flooding and storms to wildfires. Third accelerator is ‘Protection of Space Assets’, whose objective is to safeguard ESA astronauts and assets from interference by space debris and space weather.

3. Other than this, the council recognised two “inspirators” to reinforce European management in science, expertise growth and inspiration, An icy moon pattern return mission and Human space exploration.

### CENTRAL CONSUMER PROTECTION AUTHORITY

1. Central Consumer Protection Authority issues notice to e-commerce entities offering for sale Pressure Cookers in violation of compulsory Bureau of Indian Standards (BIS) Standards. The Central Consumer Protection Authority (CCPA) has been established in 2020, under the Section 10 of the Consumer Protection Act, 2019.

2. **Objective - CCPA aims to promote, protect and enforce the consumer rights by cracking down on unfair trade practices, and false & misleading ads that are detrimental to the interests of the public and consumers.**

3. It will be empowered to Conduct investigations into violation of consumer rights and institute complaints / prosecution, or unfair trade practices suo motu, or on a complaint received, or on a direction from the govt, Order recall of unsafe goods and services, Order discontinuation of unfair trade practices and misleading advertisements, Impose penalties on manufacturers/endorsers/publishers of misleading advertisements.

### INVERTED TAX STRUCTURE

1. The Government has notified uniform Goods and Services Tax rate at 12 % on Man-made Fibre (MMF) textile value chain. This has removed the problem of inverted tax structure in the MMF sector. The changed rates will come into effect from 1st January, 2022. This will help the MMF segment emerge as a big job provider in the country. The term ‘Inverted Tax Structure’ refers to a situation where the import duties on input goods are higher than on finished goods. In other words, the GST rate paid on purchases is more than the GST rate payable on sales.

2. **Problem - The taxpayers, businesses and the government are affected by the ‘Inverted Duty Structure’ problem. Taxpayers facing an inverted duty structure will have Input Tax Credit (ITC) in their GST e-credit ledger after paying off the output tax liability.** This creates working capital issues for the taxpayers, as crucial resources remain blocked in the form of ITC. Taxpayer can claim the unused ITC on account of Inverted Duty Structure as a refund at the end of any tax period, under the Section 54 of the CGST Act, 2017.

3. Businesses paying taxes under this structure continue to have ITC in their ledger even after paying off the output tax liability, leading to crucial working capital remaining stuck in the form of credit. From the government’s standpoint, many administrative-level issues may crop up. A complicated refund process under GST creates additional compliance requirements and leads to more compliance cost.

### KAISER-I-HIND BUTTERFLY

The United States and India committed to integrating their economies across sectors to harness the untapped potential of the bilateral relationship, at the Trade Policy Forum convened after a gap of four years on Tuesday. Cochaired by Commerce and Industry, Textiles, Consumer Affairs and Food & Public Distribution Minister Piyush Goyal and U.S. Trade Representative, Ambassador Katherine Tai, the Forum resolved to take economic ties between the two countries to the 'next high level' and exchanged views on 'potential targeted tariff reductions'. The two sides decided to activate working groups of the Trade Policy Forum (TPF) on agriculture, non-agriculture goods, services, investment, and intellectual property to meet frequently and address issues of mutual concern in a mutually beneficial manner. The idea is to deliver tangible benefits to farmers and businesses of both countries by resolving outstanding market access issues.

Saraswathi Samman awardee and Kannada writer S.L. Bhyrappa has expressed his anguish over the Karnataka Government's move to 'develop' Chamundi Hills under the Pilgrimage Rejuvenation and Spiritual, Heritage Augmentation Drive (PRASHAD) scheme and said it was environmentally unsustainable. He has sent a letter to Prime Minister Narendra Modi requesting him to ask the Tourism Ministry to apply the true spirit of an 'imaginatively and beautifully conceived concept of PRASHAD' to promote spiritual tourism for a project in Chamundi Hills in Mysuru.

The Defence Acquisition Council (DAC) which met under the Chairmanship of Defence Minister Rajnath Singh approved the long-pending deal for the manufacture of 6.71 lakh AK203 assault rifles in India, according to a defence source. This comes ahead of Russian President Vladimir Putin's visit to India early next month for the India-Russia annual summit. Mr. Putin is scheduled to visit India for the summit on December 6, when the two sides will also hold their inaugural 2+2 ministerial dialogue. The two countries had signed an Inter-Governmental Agreement (IGA) in February 2019 following which a joint venture, Indo-Russian Rifles Private Ltd. (IRRPL), was set up at Korwa in Uttar Pradesh for manufacturing the rifles.

Union Minister for Road Transport Nitin Gadkari said that the Government is considering a proposal to give buyers additional concessions on buying new vehicles after scrapping of their old vehicles.

1.The Arunachal Pradesh's State Cabinet approved the large, brightly coloured Kaiser-i-Hind as the State butterfly. The Cabinet also adopted the Pakke Tiger Reserve 2047 declaration on climate change-resilient and responsive Arunachal Pradesh aimed at lowering emissions and sustainable development.

**2.Kaiser-i-Hind (Teinopalpus imperialis) literally means Emperor of India. Kaiser-i-Hind Butterfly is an elusive swallowtail butterfly that usually flies at tree-top level and descends to sit on low vegetation when there is strong morning sunlight.**

3.It is in flight during April-July and lays eggs on the underside of leaves. It is found in 6 States along the Eastern Himalayas at elevations from 6,000-10,000 feet in well-wooded terrain. It also flutters in Nepal, Bhutan, Myanmar, Laos, Vietnam and southern China. Threat - Hunted for supply to butterfly collectors.

#### **NATIONAL BRAIN RESEARCH CENTRE**

**1.The first of its kind, world's most sophisticated, latest MRI facility was inaugurated at the National Brain Research Centre (NBRC), Haryana. National Brain Research Centre is a premier institute in India dedicated to Neuroscience Research and Education.**

2.Located in the foothills of the Aravali range in Haryana, NBRC is an autonomous institute funded by the Department of Biotechnology, Government of India, and is also a Deemed-to-be University.

3.NBRC has been recognised as an Institution of Excellence by Government of India. Neural Information Processing is the research focus at NBRC.

#### **TAXING THE CRYPTOCURRENCIES**

1.The Centre is planning new changes in the income tax laws in a bid to bring cryptocurrencies under the tax radar. **What is the stand of India regarding crypto currencies?** The RBI has repeatedly highlighted that it feels cryptocurrencies like BitCoin may pose a risk to financial stability and also questioned its claims of market value. The Supreme Court however nullified the RBI circular banning cryptocurrencies and it set aside an RBI circular that prohibited banks and entities regulated by it from providing services with connection to virtual currencies. The government feels that the RBI's objections are too stringent and centred around a ban as in China. The government had released 'The Cryptocurrency and Regulation of Official Digital Currency Bill, 2021' to create a facilitative framework for creation of the official digital currency to be issued by the RBI.

2.The Bill appeared to be based on the recommendations of the SC Garg Committee formed by the Centre. It seeks to prohibit all private cryptocurrencies in India but it allows for certain exceptions to promote the underlying technology of cryptocurrency and its uses. Recently, government officials met representatives of crypto-exchanges, Block chain and Crypto Assets Council (BACC) and have arrived at a conclusion that cryptocurrencies should not be banned but should be regulated. There is a proposal to bring cryptocurrency under the ambit of tax amid reports that the government is about to introduce a bill on cryptocurrencies during the winter session of Parliament.

**3.How can the cryptos be put under the ambit of taxation?** One of the methods is to classify crypto-exchanges as "e-commerce platforms" so that the tax collection at source provisions would apply. Another thought is that those involved in cryptocurrency trading could be categorised as "facilitator, brokerage" and GST be collected on these services. The government could categorise services provided by overseas cryptocurrency exchanges that allow Indians to trade on their platforms as online information database access and retrieval (OIDAR) devices.

**4.What is the Central Economic Intelligence Bureau (CEIB)'s proposal in this regard?** The act of cryptocurrency mining could be treated as a supply of service and should be classified as an intangible asset and attract a GST of 18% Taxpayers operating as cryptocurrency miners will be required to register under GST if their annual revenue exceeds Rs.20 lakh. Trading of cryptocurrency and other related transactions like transfer, storage, accounting etc are also likely to be considered as an act of supply and could be taxed.A

**5.What are the issues in taxing the crypto currencies?** **Nature of Cryptos** - Virtual coins are not considered an asset, security, or even currency in India. The cryptocurrency has to be treated as an asset, security or currency before GST can be

**“We will once again sit and discuss with the Finance Ministry to see if we can give more concessions. We have planned something... this will facilitate [vehicle scrapping] and will help reduce pollution,” he said.**

**To tap the huge potential of tourism, the Railways on Tuesday announced the ‘Bharat Gaurav’ scheme, under which theme based tourist circuit trains, on the lines of the Ramayana Express, can be run either by private or Stateowned operators. “Till now, the Railways had passenger segments and goods segments. Now, we will have a third segment for tourism — ‘Bharat Gaurav’ train. We have earmarked about 3,033 coaches or about 150 trains,” Railways Minister Ashwini Vaishnaw said. The Minister said these will not be regular trains that will run as per a timetable but will be more on the lines of the Ramayana Express being run by the IRCTC.**

charged on services offered by overseas cryptocurrency exchanges. **Taxation procedure** - It has to be first determined whether GST will be applicable on all transactions or only on the margins. As on date, most Indian cryptocurrency exchanges pay 18% GST on margins or the commission that they charge. **Payment in Cryptos** - It is obvious that the Balances in Electronic Cash and Credit Ledger cannot be stated in cryptos.

**6.What has to be done before taxing the cryptos?** Government should ensure that it covers all aspects governing virtual currencies and not only their tax aspects in the forthcoming Crypto Bill. FAQs and Educational Material with regard to GST on cryptos and a detailed document on cryptos is needed to prevent aggressive assessment orders being passed. Some fintech company located in India may workon building a product that permits payments in GST to be made from normal banking channels using cryptos as a reference point.